

Item 1 – Cover Page

Kayne Anderson Capital Advisors, L.P.

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March 28, 2024

This brochure on Form ADV (the “Brochure”) provides information about the qualifications and business practices of Kayne Anderson Capital Advisors, L.P. (“Kayne”). If you have any questions about the contents of the Brochure, please contact Michael O’Neil, Chief Compliance Officer, at (310) 282-7905 and/or moneil@kaynecapital.com. The information in the Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Kayne Anderson Capital Advisors, L.P. is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about Kayne is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Since the last update of the Brochure, dated December 8, 2023, there have been no material changes.

We made non-substantive changes to risk factors and other immaterial updates throughout.

This Brochure is designed solely to provide information about the business of Kayne Anderson Capital Advisors, L.P.

Previously, we have offered or delivered information about our qualifications and business practices to clients on no less than an annual basis. Pursuant to SEC Rules, you will receive a summary of any material changes to the Brochure, and any subsequent versions of the Brochure within 120 days of the close of our fiscal year, which is December 31. We may further provide other ongoing disclosure information in the event of changes that are material to our clients.

Currently, you may request the Brochure free of charge by contacting Michael O’Neil, Chief Compliance Officer, at (310) 282-7905 or moneil@kaynecapital.com. The Brochure is also available on our web site, www.kayneanderson.com, also free of charge.

Additional information about Kayne is available via the SEC’s web site, www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with Kayne who are registered, or are required to be registered, as investment adviser representatives of Kayne.

This Brochure is not and should not be deemed to be a general solicitation and does not constitute an offer to sell or a solicitation of an offer to buy or invest in any fund or account advised by Kayne.

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Item 4 – Advisory Business

Kayne Anderson Capital Advisors, L.P. (“Kayne” or the “Firm”) has engaged in the investment advisory business since its inception in 1984, during which time it has been registered as an investment adviser with the SEC. Kayne is owned by its employees. The interests in the Firm are owned by approximately 47 limited partners, including current executives, portfolio managers and other Kayne personnel.

As of February 29, 2024, Kayne’s Assets Under Management (“AUM”) is approximately \$30.0 billion. AUM is calculated on the market value of the securities portfolios for which Kayne provides continuous and regular supervisory or management services.

Kayne engages in alternative investing primarily through private pooled vehicles (except as described below), and to a lesser extent separate accounts and sub-advisory relationships. Kayne focuses on generating returns across a variety of strategies, which include investing in (1) energy infrastructure marketable securities, (2) private equity upstream oil and gas companies and opportunistic investing in long-life, low-risk onshore oil and gas assets, (3) middle market direct lending, liquid credit and specialized real estate debt, (4) alternative real estate sectors (primarily focused on medical office, off-campus student housing/multifamily, high-end seniors housing, and self-storage), and (5) lower middle market private growth stage enterprise software and technology-enabled companies across North America. Kayne manages assets for institutional investors, family offices, high-net-worth and retail clients and employs approximately 301 employees in six offices across the United States. Kayne has three affiliated investment adviser subsidiaries that are each separately registered with the SEC. More detail on each of these advisers can be found in Item 10.

Kayne Anderson Real Estate (“KA Real Estate”), the real estate investment platform of Kayne, has a strategic partnership with AIMS Petershill, an investment fund managed by Goldman Sachs Asset Management. AIMS Petershill has a strategic, passive minority investment in KA Real Estate which it initially made in 2020. KA Real Estate continues to maintain control of the business with no changes to management.

Kayne Anderson Private Credit (“KAPC”), the middle-market private credit investment platform of Kayne, entered into a strategic partnership in 4Q23 with Bonaccord Capital Partners, a private equity platform that acquires non-control equity interests in leading private markets investment firms. Bonaccord Capital Partners’ strategic, minority investment in KAPC is passive. KAPC will continue to maintain control of the business with no changes to management.

Privately Offered Pooled Investment Vehicles

Kayne serves as investment adviser to privately offered pooled investment vehicles formed as limited partnerships or limited liability companies (where Kayne or a controlled subsidiary is the general partner or manager), or offshore corporations. Kayne’s pooled investment vehicles are available only to investors who are “accredited investors” under the Securities Act of 1933, as amended (the “1933 Act”), and “qualified clients” under the Investment Advisers Act of 1940 (“Advisers Act”), as amended. In most cases, investors must also be



“qualified purchasers” under the Investment Company Act of 1940 (“1940 Act”), as amended. These pooled investment vehicles are not made available to the general public and are not registered investment companies. Kayne’s private pooled investment vehicles are managed by Kayne (or a controlled subsidiary) in its sole discretion.

Kayne’s private pooled investment vehicles include: (i) redeemable funds, where capital contributions and withdrawals are permitted at stated intervals (generally monthly or quarterly) at then-current net asset values, and (ii) closed-end funds, where each limited partner makes an up-front commitment to contribute a stated amount of capital as it is called by Kayne (or a controlled subsidiary) for investment, and generally may not withdraw capital prior to the end of the stated multi-year term of the fund.

Redeemable Funds

Our redeemable funds consist of several strategies, including energy infrastructure and real estate.

As of February 2024, our active redeemable funds include:

Energy Infrastructure

The majority of Kayne’s redeemable funds invest in traditional energy infrastructure companies, renewable infrastructure & energy transition companies. Certain of these funds are intended to operate without the use of sustained leverage, while others may obtain leverage through prime brokerage financing. These funds invest primarily in equities, debt (high yield bonds and bank loans), or a blend of the two, and incorporate a variety of strategies including long-only and hedging strategies. The funds that employ hedging do so to protect against company, market, foreign currency, and interest rate risk by utilizing direct issuer shorts, U.S. Treasury and ETF shorts, options, index ETFs, total return and credit default swaps, and foreign currency forwards.

Core Real Estate

Kayne Anderson Core Real Estate, L.P. (“KACORE”) targets primarily stabilized investments in four alternative real estate sectors: medical office buildings, high-end private-pay seniors housing properties, amenity-rich student housing properties near campus, and self-storage.

Attainable Housing

Kayne Anderson Multifamily Fund (“KAMF”) focuses on acquiring, renovating, and developing multifamily housing that promotes housing attainability for middle-market renters, social impact, and environmental sustainability.

Commercial Real Estate Debt

Kayne Commercial Real Estate Debt, L.P. (“KCRED”) invests primarily in Freddie Mac structured products and direct loan originations secured by assets in Kayne Anderson Real Estate’s sectors of expertise



(multifamily, student and seniors housing, medical office, and self-storage), with flexibility to selectively invest in non-agency CMBS.

Generally speaking, limited partners in Kayne's redeemable funds may invest or withdraw (entirely or partially) on either a monthly or quarterly basis. Withdrawing partners must provide Kayne with proper advance written notice, which may be anywhere from 10 to 45 days depending on the fund. Certain newer redeemable funds may have initial lock-up periods, during which limited partners are not permitted to withdraw any portion of their investment. After the initial lock-up period expires, redemptions are permitted at the intervals described in applicable fund governing documents.

Closed-End Funds

Kayne's closed-end funds are single-strategy funds engaged in making private investments in (1) private oil and gas companies; (2) the equity or debt of medical office, high-end seniors housing, off-campus student housing/multifamily, self-storage and other specialized real estate assets; (3) private lending to middle-market companies; and (4) growth equity investments in lower middle market companies. These funds are designed to provide capital to enable portfolio companies to fund strategic opportunities for internal or external growth and thereby build value for fund holdings, or in the case of real estate investments, to acquire and improve such assets.

As of February 2024, our active Closed-End Funds include:

Energy Private Equity

Kayne's energy private equity strategies focus on acquiring large-scale, producing oil and gas assets with low production decline rates and select, high-confidence development inventory. The funds seek to generate equity returns by partnering with experienced, talented management teams driven to build profitable, cash-flowing businesses in the North American energy space.

Opportunistic Real Estate

Kayne's opportunistic real estate equity funds invest in alternative real estate asset classes that exhibit favorable demographic patterns, supply-demand imbalances, fragmented ownership, and stable historical growth. These asset classes include medical office, seniors housing, student housing and multifamily. Our funds seek to build a portfolio of real estate investments producing solid, steady cashflow growth, with strong potential for upside value creation.

Kayne's real estate debt strategy invests in commercial real estate debt and securities in targeted sectors including medical office, seniors housing, multifamily/student housing, and self-storage. The debt team invests primarily in Freddie Mac structured products and direct loan originations, with flexibility to selectively invest in non-agency CMBS.



Private Credit

Kayne's private credit platform leverages a credit-intensive model across a range of industries in North America, targeting senior loans in traditional middle market companies with strong, sustainable cash flows. Investment structures include senior secured loans, equity co-invest, and unitranche facilities.

Growth Equity

The growth equity strategy partners with experienced and motivated entrepreneurs that have strong conviction in their businesses and have built companies with clear competitive advantages, shown an efficient use of capital, and share attractive investment characteristics. These investments are focused on enterprise software and technology-enabled companies in North America in the lower-middle market.

Investments in the closed-end funds are permitted only at scheduled fund closings. As portfolio holdings are sold in a closed-end fund, the proceeds realized (as well as cash interest and dividends received) are generally distributed to limited partners. However, limited partners in these funds generally may not otherwise reduce or withdraw their investments until the fund's maturity without the consent of Kayne (or a controlled subsidiary) in its capacity as general partner. Such consent, if given, may require that the withdrawing limited partner be penalized for such early withdrawal.

Separate Accounts and Investment Companies

In addition to managing the investment vehicles described above, Kayne serves as investment adviser or sub-advisor to separate accounts for institutional clients, registered investment companies, and mutual funds. Kayne may act in such a capacity under an investment advisory agreement or, in a limited number of instances, as the manager of a joint venture limited liability company or limited partnership. These accounts invest in the same strategies generally employed by one or more of Kayne's pooled investment vehicles, but generally have modified investment guidelines that are tailored to the individual objectives of the client.

Kayne does not participate directly in any wrap-fee programs.

Customized Advisory Services

A certain long-time client who is a sophisticated high-net worth investor has requested that Kayne provide certain investment advisory services. As a result, Kayne has engaged a former employee to serve in a consulting capacity and provide such services to this client. Kayne has not, and will not solicit such business and does not collect fees on such business. All fees earned are paid to such consultant or used to offset any expenses incurred by Kayne. Kayne does not in any way incentivize such consultant to promote Kayne-managed products. Kayne does not expect to enter into any new arrangements of a similar nature.

Item 5 – Fees and Compensation

Privately Offered Pooled Investment Vehicles

Redeemable Funds Generally speaking, Kayne’s redeemable funds are charged annual management fees of 0.5% to 1.5% of portfolio assets, calculated and payable quarterly or monthly either in advance based on the fair market value of the account portfolio at the beginning of the period or in arrears based on such fair market value at the end of the period. In its redeemable funds, Kayne may also receive an incentive allocation based on the performance of the portfolio, and calculated on the basis of both realized and unrealized gains and losses. Performance allocations range up to 20% of such realized and unrealized gains, and may or may not be subject to a high water mark and/or calculated after a stated “hurdle” rate of return to the limited partners. Performance allocations are calculated and accrued as described in each fund’s offering documents; the calculation periods vary depending on the fund. All performance-based allocations are calculated cumulatively or are subject to a high-water mark (on an individual investment basis) and a hurdle (as applicable) to prevent such fees from being generated on recouped gains.

Limited partners in Kayne’s redeemable funds may withdraw, entirely or partially, on either a monthly or quarterly basis, depending on the fund. Withdrawing limited partners must provide Kayne with proper advance written notice, which may range anywhere from 10 to 45 days depending on the fund. To enable periodic investments in, and withdrawals from, the redeemable funds (and to calculate management fees and performance allocations), the third-party administrator or Kayne, as applicable, determines net asset values for such accounts at each reporting period. The fair market values of investments which do not trade on an exchange or in other active markets are valued by Kayne or an independent third-party valuation firm based on its judgment exercised in good faith taking into consideration all factors it believes to be relevant. Such fair market valuations are consistent with the organizational documents of the funds and Kayne’s Valuation Policy which require reporting based on applicable Generally Accepted Accounting Principles.

Closed-end Funds Generally, investors in Kayne’s closed-end funds are charged annual management fees of 1.0% to 1.75% of capital commitments (which are expected to significantly exceed portfolio assets early on in the life of the funds) or invested capital, calculated and payable quarterly or semi-annually. After the investment commitment period, the management fee is typically based on the lower of aggregate net asset value or net invested capital. Kayne or an affiliated management company also receives a “carried interest” in its capacity as general partner generally entitling it to up to 20% of realized profits after a preferred return to limited partners. This carried interest is based on realized gains and received income only, and is payable as portfolio holdings are liquidated or otherwise monetized, subject, in some cases, to a reserve or claw-back arrangement to account for possible or actual losses incurred on holdings subsequently sold.

As portfolio holdings are sold in a closed-end fund, the proceeds received (as well as cash interest dividends received) are generally distributed to limited partners. However, limited partners in these funds generally may not otherwise reduce or withdraw their investments until the fund’s maturity without the consent of Kayne (or a

controlled subsidiary) in its capacity as general partner. Such consent, if given, may require that the withdrawing partner be penalized for such early withdrawal.

Mutual Fund

The open-end mutual fund advised by Kayne and registered under the 1940 Act, Kayne Anderson Renewable Infrastructure Fund (trading as two share classes, KARIX and KARRX), also charges investors fees. Other than the contractual management fee of 0.85%, the fees charged vary based on which class an investor purchases. For more information on specific fees, see the prospectus available on kaynefunds.com or the SEC website.

Separate Accounts

The separate accounts managed by Kayne are generally charged management fees and in some cases performance fees similar to (but not necessarily the same as) those applicable to Kayne's redeemable or closed-end funds. A separate account client may terminate its investment advisory contract with Kayne on not less than 30 days' notice.

Separate accounts may also be structured as "parallel vehicles" to closed-end funds to accommodate legal, tax, regulatory, or other considerations for investors. Such parallel vehicles are generally expected to (i) co-invest with the closed-end fund in each investment in proportion to the respective available capital commitments, (ii) make each investment at the same time and on substantially the same terms, and (iii) unless otherwise approved by the advisory board of the closed-end fund, sell each of their respective interests at the same time and on the same terms.

Additionally, Kayne has a number of traditional separately managed accounts and single investor funds for large institutional investors in order for them to take advantage of the breadth of Kayne's investment offerings in an efficient manner. The fees for these cross-platform strategy vehicles are negotiated directly with such client and vary depending on the structure of the vehicle, the size of the investment, and other relevant factors.

Kayne believes that its fees, both for its pooled investment vehicles and its separate accounts, are competitive with those charged generally by other investment advisers for comparable services. However, some investment advisers may provide comparable services for lower or different fee structures. Performance-based allocations/fees are only charged consistent with applicable rules and regulations, including Rule 205-3 under the Advisers Act and the Employee Retirement Income Security Act (ERISA) as applicable.

Fee Arrangements and Payments

With respect to private commingled funds, Kayne is generally authorized to charge and deduct advisory fees directly from the assets of the applicable funds at times and in an amount set forth in governing fund documents. Separate account fees are billed directly to the investor. Kayne generally does not negotiate different fee

arrangements with clients in its pooled investment vehicles, but may do so for very large accounts at the sole discretion of such general partner or manager. Kayne may waive all or a portion of fees with respect to investments made by employees in its pooled investment vehicles.

Separate account fee structures are determined through negotiation.

Investments in our redeemable funds can generally only be initiated and terminated at the beginning or end of the month or quarter, as applicable, which means that fee proration is not relevant. If separate accounts are terminated during a fee period, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

For our closed-end funds, our practice is to charge the management fee quarterly in advance through the quarter in which the commitment period ends (which may not be the last day of the quarter). After the commitment period expires, there may be a stepdown in the management fee, to be charged on the lower of (a) the aggregate total cost of all investments held by the fund, or (b) the aggregate net asset value of all investments held by the fund through the remaining term of the fund. Management fees may be waived in instances where the fund term is extended.

Kayne's fees are charged separately net of any brokerage commissions, transaction fees, fund fees, or other fund or separate account related costs and expenses (which are incurred by the fund or separate account client, including legal and accounting costs).

Additional Fees and Expenses

Kayne has a fiduciary duty to ensure that expenses allocated to clients (whether commingled funds or separate accounts) are appropriate, permissible under offering and governing client documents, and consistent with disclosures made to investors, including, without limitation, via fund governing documents and Part 2 of Form ADV. Additionally, Kayne must ensure that it allocates such expenses equitably to all relevant parties.

Generally, each investor will be responsible for all costs and expenses relating to the organization, operation and administration of such fund or managed account, including, without limitation, (i) administration and valuation fees and expenses, whether provided by a third party or by Kayne or an affiliate of Kayne; (ii) audit fees; (iii) consummated and broken deal expenses; (iv) brokerage commissions, clearing and settlement charges; (v) prime brokerage fees, custodial fees, and other bank service fees; (vi) interest and other expenses incurred in respect of borrowings, if any; (vii) due diligence related expenses, including, without limitation, third party consultants and related travel; (viii) out-of-pocket expenses incurred by members of the advisory boards in connection with the fulfillment of their duties to the applicable funds and expenses of periodic meetings of limited partners, including without limitation, travel expenses (including business class airfare, or when business class is not available, first class airfare) incurred in connection with attending advisory board meetings (including, without limitation, transportation, meal and lodging expenses); (ix) expenses associated with communication and periodic reporting



to investors; (x) expenses incurred in connection with legal and regulatory compliance with U.S. federal, state, local and non-U.S. or other law or regulation, including reporting prepared to comply with EU Sustainable Finance Disclosure Regulations; (xi) financial statements, tax returns and Schedules K-1; (xii) legal fees, including costs of litigation involving the funds or accounts and the amount of any judgments or settlements paid in connection therewith, as well as the fees of legal counsel (including the cost of in-house counsel and legal support) or other experts or consultants; (xiii) initial and ongoing marketing expenses incurred in connection with fundraising activities, including transportation, lodging, meals and investor entertainment, in each case subject to the organization expense cap for the applicable fund; (xiv) the costs associated with winding up and liquidating applicable funds; (xv) the costs associated with the indemnification obligations of the funds; (xvi) fees and expenses of any third-party providers of “back office” and “middle office” trade settlement services; (xvii) fees associated with the organization and operation of any special purpose investment vehicles for purposes of making investments; (xiii) costs and expenses incurred in maintaining and monitoring investments, including, without limitation, any architectural, engineering, environmental, third-party payment processing, travel, legal (including the cost of in-house counsel and legal support) and accounting expenses and other fees and out-of-pocket costs related thereto; (xix) the management fees and any other fees payable to each Fund’s General Partner and its affiliates; and (xx) expenses related to or arising from defaults by investors in the payment of capital contributions. In relation to (xiii) above, for certain private equity funds that utilize placement agents for marketing purposes, the fees paid to such placement agents may be charged back to the fund. The fund will then offset such fees against the management fee otherwise payable by the fund on a dollar-for-dollar basis, so that those fees are not included in the calculation of the organization expense cap for the applicable fund.

In-house expenses are permissible when there is clear, tangible benefit to the fund (e.g. efficiency and significant cost savings) and the applicable Advisory Board approves rates or amounts on an annual basis. Such in-house expenses are generally charged to real estate funds for internal legal and project management costs, subject to a cap to ensure the firm/funds do not generate any revenue beyond offsetting expenses incurred for such services. An analysis of the internal legal and project management rates and amounts is conducted on an annual basis, and the Advisory Board must approve these rates and amounts prior to charging back to the funds.

In-house administration fees are charged for certain funds and accounts which are self-administered as permitted in the relevant fund’s or account’s offering documents. Kayne conducts an analysis of the rates and amounts charged by its third-party administrator for other similar funds and accounts, and endeavors to charge a lower rate for similar services.

Some joint venture or portfolio company arrangements may provide for a promote, incentive fee or ownership interest in the portfolio company to be granted to such joint venture partner or management team of the portfolio company. Such compensation will be ultimately borne by the client. These arrangements primarily occur in our energy private equity and real estate businesses.

For funds in Kayne’s growth private equity strategy, strategic operating partner costs are also permitted to be charged back to the fund as a fund expense. Strategic operating partners provide value-add services by supporting



due diligence efforts, acting as Kayne appointed board representatives, and assisting with portfolio company exits. Additional detail can be found in each such fund's offering memorandum.

The Chief Financial Officer and Chief Compliance Officer are familiar with the categories of expenses chargeable to clients. Any new category of client expenses requires pre-approval from the Chief Financial Officer and Chief Compliance Officer, who will ensure that such expenses are permissible under applicable offering and governing client documents. The Chief Financial Officer and Chief Compliance Officer will also determine the appropriate allocation methodology for each such category of expenses. Additionally, any changes to the manner in which expenses are allocated among clients, Kayne or its controlled management entities must be preapproved by the Chief Financial Officer and Chief Compliance Officer. The Chief Compliance Officer is responsible for ensuring that expense allocation methodologies can be retrospectively shown to be fair.

Kayne has adopted an Expense Allocation Policy to ensure that expenses are calculated and allocated correctly. All expenses incurred by Kayne's employees are subject to Kayne's Expense Allocation Policy and, where relevant, to the particular investment strategy's more detailed guidelines regarding general deal sourcing and diligence expenses.

In determining an equitable allocation of shared expenses among clients, Kayne will take into account all factors deemed relevant. Where one or more clients to which an expense would otherwise be allocable are not permitted to receive an allocation based on the applicable offering and governing client document(s), the portion of the expense attributable to such client(s) shall be borne by Kayne or a controlled management entity.

Notwithstanding the forgoing, Kayne reserves the right to, at any time, use its good faith discretion in determining the proper allocation of expenses in any manner that is fair and reasonable under the circumstances, including a manner that may be different from the guidelines contained herein, based on its good faith consideration of relevant factors and in accordance with its contractual and fiduciary obligations.

Transaction-Based Compensation

In connection with portfolio investments made by funds, Kayne or an affiliate may receive arrangement, origination, commitment, agency, structuring, syndication, consent, amendment, or other transaction fees. These types of arrangements present potential conflicts of interest and may provide Kayne an incentive to recommend investments based on compensation received or to be received rather than making an investment decision based solely on the best interests of a fund. Except with respect to agency fees, which are generally retained by the entity serving as agent with respect to such investment, such fees received or to be received by Kayne or an affiliate are generally offset in whole or in part against advisory fees payable by the related fund, however in certain instances Kayne or an affiliate may retain a portion of such fees without a corresponding management fee offset (these arrangements generally occur in our private credit funds). Please refer to the governing documents of the applicable fund for complete information on additional compensation received by Kayne and affiliates in connection with services related to portfolio investments and any offsets against advisory fees.



Item 6 – Performance-Based Fees and Side-By-Side Management

As described in Item 5, Kayne generally receives a performance-based or incentive allocation or fee in its redeemable funds. All such arrangements conform to Section 205(a)(1) of the Advisers Act and ERISA, as applicable. In measuring clients' assets for the calculation of performance-based fees, in our redeemable funds, we include realized and unrealized capital gains and losses. Performance fees in our closed-end funds are determined based on proceeds distributed to investors. Our redeemable fund fee arrangements may create an incentive to favor higher potential fee-paying accounts over other accounts in the allocation of investment opportunities. Similarly, Kayne or its affiliates or employees may have a significant proprietary investment in a fund or account, and Kayne may have an incentive to favor such fund or account to the detriment of other funds or accounts. Kayne's procedures are designed to ensure that all investment decisions are made without consideration of Kayne's (or its affiliates' or employees') pecuniary interest but, instead, in accordance with Kayne's fiduciary duties to its clients.

Item 7 – Types of Clients

Kayne provides investment supervisory services through privately offered (i.e., unregistered) pooled investment vehicles, and to a lesser extent, through separate accounts and mutual funds. Kayne generally provides its services and markets its funds and separately managed accounts to a limited number of institutional investors capable of understanding the risks of their investments. Kayne's investors consist of endowments, foundations, financial institutions, insurance companies, operating companies, Taft-Hartley plans and other institutional clients, family offices, funds of funds, registered investment companies, and high-net-worth individuals. Interests in funds are offered only to those investors who qualify as (i) "qualified clients" within the meaning of Rule 205-3 under the Advisers Act, as amended, (ii) "accredited investors", as defined in regulation D under the 1933 Act, and, (iii) where applicable, "qualified purchasers" within the meaning of Sections 2(a)(51) and 3(c)(7) of the 1940 Act, as amended.

Each of Kayne's pooled investment vehicles has a stated minimum investment requirement. These generally range from \$250,000 to \$10 million. Kayne may, and in many cases has, accepted initial investments in its pooled investment vehicles below the stated minimums. These situations are evaluated on a case-by-case basis and include a consideration of whether the investor has an existing investment in any other of Kayne's pooled investment vehicles or has an expectation of fulfilling the stated minimum requirement over a relatively short period of time. Additionally, Kayne manages separate accounts, where there is no stated minimum investment, although all such accounts exceed the minimum requirements of comparable pooled investment vehicles.

Kayne's mutual fund, Kayne Anderson Renewable Infrastructure Fund, has a minimum initial investment requirement of \$250,000 for its institutional share class (KARIX) and a minimum initial investment requirement of \$2,500 for its retail share class (KARRX). The KARIX minimum can be waived at Kayne's discretion with prior approval from the CCO.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Investment Strategies & Risks

Kayne manages a variety of alternative investment products intended to take advantage of market opportunities. Certain of these products may involve a higher level of investment risk, while seeking greater returns than traditional investment products. These products are privately offered through private funds and are typically structured as limited partnerships or limited liability companies. Kayne, or a controlled subsidiary, acts as general partner, managing member, investment manager or otherwise exercises investment discretion with respect to these products in which clients are solicited to invest. Further information can be found in the offering memorandum for each fund.

Kayne may, from time to time and as appropriate, solicit clients to invest in such vehicles, and may make such investments on a discretionary basis on the client's behalf. As these may not be appropriate investments for all clients, not all clients will be offered the opportunity to invest, and not all clients afforded that opportunity will choose to invest.

At a high level, Kayne's investment approach is to focus on industries and asset classes in which it has considerable knowledge and expertise, focusing first and foremost on downside protection and the preservation of capital. Kayne investment personnel conduct commercially reasonable and appropriate due diligence of each investment based on the facts and circumstances applicable to each potential opportunity. The objective of such analysis is to identify attractive investment opportunities and the possible risks associated with that investment in order to develop a sound investment strategy that has a high probability of delivering attractive returns for our investors. When conducting due diligence and making an assessment regarding potential investment opportunities, Kayne relies primarily on publicly available information and resources. Kayne may also rely on information provided by the target of such investment, and, in some circumstances, third-party consultants where additional technical expertise is needed. Certain investment teams may employ so-called expert networks to consult with paid industry experts. Kayne has adopted policies and procedures to mitigate any potential conflicts of interest related to the use of such experts. The due diligence process may at times be subjective. Accordingly, Kayne cannot be certain that its investment process or its due diligence with respect to potential investment opportunities will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. General market, economic, environmental, and other conditions, which by their nature are unpredictable, may have an adverse impact on the reliability of such due diligence.

Kayne's investment teams are responsible for integrating Environmental, Social and Governance ("ESG") analysis into the underwriting, analysis and monitoring of investments in line with the firm's ESG policy and the ESG integration plan of the particular investment strategy. It should not be assumed that any particular ESG practices or standard will apply to every investment in a particular strategy or that they have applied to prior investments. ESG is only one of many considerations taken into account when making investment decisions and other considerations can be expected in certain circumstances to outweigh ESG considerations. Any ESG information, standards or initiatives applied to a particular investment is done with the consideration of Kayne's ultimate goal



of maximizing financial returns on investments. There is a growing regulatory interest across many jurisdictions in improving transparency regarding the definition, disclosure, and measurement of ESG considerations. Kayne cannot guarantee that its current ESG approach and policy will meet future regulatory requirements or predict the manner in which any such future requirements could affect a client or its investments, including with respect to future classifications, administrative burdens and costs.

In evaluating a security or an issuer's ESG characteristics, Kayne may be dependent upon information and data from third party providers with differing methodologies for measuring sustainability, and which may be incomplete, inaccurate or unavailable. As a result, there is a risk that Kayne could incorrectly assess a security or issuer. There is also a risk that Kayne may not apply the relevant ESG criteria correctly or that a portfolio could have indirect exposure to issuers that do not meet the relevant ESG criteria used by such portfolio. Kayne does not make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of such ESG assessment. Investors may have different views of what constitute positive or negative ESG characteristics. Further, there may be limitations with respect to the readiness of ESG data in certain sectors, as well as limited availability of investments with relevant ESG characteristics in certain sectors. Kayne may change its ESG assessment of an issuer over time. While Kayne views ESG considerations as having the potential to contribute to a portfolio's long-term performance, there is no guarantee that such results will be achieved.

Kayne's success is dependent upon the talents and efforts of the highly skilled individuals it employs and Kayne's ability to identify, and willingness to provide acceptable compensation to attract, retain and motivate, talented investment professionals and other employees. There can be no assurance that Kayne's investment professionals will continue to be associated with the Firm throughout the life of its funds, and the failure to attract or retain such investment professionals could have a material adverse effect on the funds and investors' investments therein. Competition in the financial services industry for qualified employees is intense and there is no guarantee that, if lost, the talents of Kayne's investment professionals could be replaced.

There can be no assurance that the funds will successfully implement and execute their investment strategies, or that Kayne's investment process will produce the desired results. The availability of investment opportunities and our ability to identify and invest in such opportunities may be limited by market conditions, investment minimums, investor qualification requirements, research capacity limitations and available capital.

Although each of the funds invests in a strategy which is designed to mitigate the risk of loss through the decision-making or "underwriting" process, the structuring of positions, and/or hedging techniques, each such strategy will nonetheless involve significant levels of risk as a result of market and issuer-specific factors affecting securities generally. A portfolio's performance depends on the performance of individual securities in which the portfolio invests. Changes to the financial condition or credit rating of an issuer of those securities may cause the value of the securities to decline or even become worthless.

Because the funds may make only a limited number of investments and since many of these investments involve significant degrees of risk, poor performance by a few of the investments could severely affect the total returns to



investors. Concentrating investments in a particular industry, asset class, market or region means that performance will be more susceptible to loss due to adverse occurrences affecting that industry, asset class, market or region. For example, a portfolio concentrating in a single industry is subject to greater risk of adverse economic conditions and regulatory changes than a fund with broader industry diversification in its portfolio.

The amount of leverage used varies among funds and is described in further detail in each fund's respective offering documents. For the funds that do employ leverage, the funds' investments are expected to often include businesses or assets with significant leverage. Leverage may involve the use of various financial instruments or borrowed capital in an attempt to increase the return of an investment. Leverage can take the form of borrowing funds, trading on margin, derivative instruments that are inherently leveraged, including but not limited to options, swaps (including total return financing swaps and interest rate swaps), forward contracts, repos, or other forms of direct and indirect borrowings and other instruments and transactions that are inherently leveraged. Any such leverage, including instruments and transactions that are inherently leveraged, can result in the portfolio's market value exposure being in excess of the net asset value of the portfolio. A portfolio could need to liquidate positions when it is not advantageous to do so in order to satisfy its borrowing obligations. The use of leverage involves heightened risk, including the potential for higher volatility and greater declines of a portfolio's value, and fluctuations of dividend and other distribution payments. A leveraged capital structure of a portfolio company or a leveraged asset will increase the exposure of that company or asset to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the financial condition of the company or its industry. Additional information on investment risk is discussed in each fund's individual private placement memorandum.

Investments in closed-end funds require a long-term commitment, with no certainty of return. The funds may invest in companies that subsequently experience financial difficulties, which difficulties may never be overcome. Investments made by these funds are expected to be illiquid, and there can be no assurance that the funds will be able to realize such investments in a timely manner. Liquidity risk exists when particular investments are difficult to purchase or sell. This can reduce a portfolio's returns because the portfolio may be unable to transact at advantageous times or prices.

Additionally, the funds may acquire securities that cannot be sold except pursuant to a registration statement filed under the 1933 Act or in accordance with Rule 144 of the 1933 Act or another exemption under the 1933 Act. There may be little or no near-term cash flow available to the investors.

The capital markets can fluctuate substantially and even experience periods of extreme volatility. Kayne cannot guarantee any level of performance or that investors in the funds will not experience a loss of their account assets. There is no assurance that the funds or managed accounts will be able to generate returns or that the returns will be commensurate with the risks inherent in their investment strategy. The marketability and value of any such investment will depend upon many factors beyond the control of the clients. Therefore, an investor should only invest in a fund or managed account if the investor can withstand a total loss of its investment. The past investment performance of a fund, managed account or investment professional cannot be taken to guarantee future results of a fund or managed account or any investment by or in a fund or managed account. As

is the case with any investment, there is no guarantee of a minimum rate of return or of a limit on losses. A portfolio's performance depends on the performance of individual securities in which the portfolio invests.

With the increased use of technologies such as the Internet to conduct business, a portfolio is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and can include, but are not limited to, gaining unauthorized access to digital systems directly or indirectly through methods such as supply-chain attacks, misappropriating assets or sensitive information, corrupting data, or causing operational disruption, including denial-of-service attacks on websites. Cyber security failures or breaches by a third party service provider or at the issuers of securities in which the funds invest, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the cost to prevent cyber incidents.

Global economic, political and market conditions, including uncertainty about the financial stability of the United States, could have a significant adverse effect on our business, our funds and their performance, financial position and results of operations, and could subject clients' investments to the risk of loss. Ongoing and potential additional materially adverse effects, including further global, regional and local economic downturns (including recessions) of indeterminate duration and severity, are possible. Various social and geopolitical tensions in the United States and around the world (including wars and other forms of conflict, terrorist acts, security operations and catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes, other natural disasters and global health epidemics and pandemics), may contribute to increased market volatility, may have long term effects on the United States and worldwide financial markets, and may cause economic uncertainties or deterioration in the United States and worldwide. The severity and duration of the business disruption and related financial impact caused by a catastrophic event cannot be reasonably estimated.

Credit risk may arise through a default by or because of one of several large institutions that are dependent on one another to meet their liquidity or operational needs. A default by or because of one institution may cause a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing houses, banks, securities firms and exchanges with which the Funds interact. A systemic failure could have material adverse consequences for the Funds and on the markets for the investments in which the Funds seek to invest.

In 3Q2023 the SEC adopted the Private Funds Rules, which require, among other things, that investment advisors obtain a fairness opinion or valuation opinion from an independent opinion provider before closing on an investment in a GP-led secondary transaction. The sale of an investment to a continuation vehicle could result in certain investors and/or Kayne (including employees and affiliates) disposing of their investments in the underlying assets at a different time than some other investors, depending on each investor's decision on whether to participate in the secondary transaction. In some circumstances, certain limited partners will not be eligible to invest in a continuation vehicle due to relevant securities, tax or other considerations, and will have to



sell their interests. Where Kayne or an affiliate will continue to receive fees and/or performance-based compensation relating to the subject assets following the transaction, their incentives are expected to diverge from those of investors who elect to sell their interests. Further, Kayne may be incentivized to make investments in portfolio companies with the view of holding such investments for longer periods of time or to make investments that it would not otherwise have made if the possibility of liquidity through a secondary transaction did not exist. Although relevant potential conflicts of interest are disclosed to investors and/or the relevant advisory board prior to the closing of the transaction, there can be no assurance that Kayne will successfully identify all conflicts of interest or resolve or mitigate all such conflicts of interest in favor of the Fund or any individual investor or group of investors.

Please note that while this Item 8 contains a discussion of some of the risks associated with investments in our funds and managed accounts, it is not possible to identify all of the risks associated with investing and the particular risks applicable to a client account will depend on the nature of the account, its investment strategy or strategies and the types of securities held. Prior to making an investment in any Kayne-managed funds, potential investors are advised to carefully review each fund's private placement memorandum and limited partnership agreement for a detailed discussion of the specific risk factors associated with a particular fund or investment strategy. Clients should be aware that while Kayne does not limit its advice to particular types of investments, mandates may be limited to certain types of securities and may not be diversified. The accounts managed by Kayne are not intended to provide a complete investment program for a client or investor. Clients are responsible for appropriately diversifying their assets to guard against the risk of loss.

Item 9 – Disciplinary Information

Neither Kayne nor any of its executive officers, members of investment committees or “other management persons” as defined in Form ADV has been subject to the legal or disciplinary events related to this Item or is otherwise required to disclose any event required by this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Kayne has claimed the appropriate exemptions from registration as a commodity pool operator and commodity trading adviser with the Commodity Futures Trading Commission (CFTC) and National Futures Association (NFA). The CFTC and NFA each administer a comparable regulatory system covering futures contracts and various other financial instruments in which certain Kayne managed funds may invest.

Kayne is affiliated with KA Associates, Inc. (“KAA”), a FINRA-member broker-dealer. KAA shares office space and certain overhead expenses with Kayne. In addition, certain officers and employees of Kayne are registered representatives of KAA. In limited circumstances, Kayne may open temporary brokerage accounts with KAA for certain private funds that trade in marketable securities. Such permitted temporary arrangements include, but are not limited to, circumstances where (i) Kayne is in the process of onboarding a fund with a third-party prime broker or custodian and Kayne (or a controlled affiliate) determines in good faith that waiting for such process to

be completed may result in missed investment opportunities to the detriment of fund investors, (ii) certain private equity funds receive a large block of stock in a public company and seek to leverage Kayne's expertise (such arrangements require advisory board approval), (iii) Kayne is "incubating" a new strategy with firm capital in order to determine viability and develop a track record, or (iv) in circumstances where Kayne is directed by a separately managed account client to establish an account at KAA because the client does not have a pre-existing custodian relationship. Such arrangements require the prior approval of Kayne's Chief Compliance Officer (who is also the President of KAA), and the fund advisory board, as applicable. Generally speaking, no fees or commissions are charged by KAA for any trades executed under such arrangements. For the avoidance of doubt, the '40 Act funds advised and/or sub-advised by Kayne are prohibited from opening accounts or otherwise trading with KAA.

Kayne is also affiliated with KA Fund Advisors, LLC ("KAFA"), a separately registered investment adviser. KAFA is the investment manager of a publicly traded closed-end fund, Kayne Anderson Energy Infrastructure Fund, Inc. (NYSE: KYN). Kayne is the sole managing member of this adviser.

Additionally, Kayne is affiliated with KA Credit Advisors, LLC ("KA Credit"), a separately registered investment adviser that is the investment manager of Kayne Anderson BDC, Inc., a business development company ("BDC"). Kayne is the sole managing member of this adviser. Kayne is also affiliated with KA Credit Advisors II, LLC ("KA Credit II"), a separately registered investment adviser that is the investment manager of another BDC, Kayne DL 2021, Inc. Kayne is the sole managing member of this adviser.

Kayne also controls and maintains Saperean Capital ("Saperean") as a marketing brand. Saperean is the direct lending arm of Kayne Anderson Real Estate, providing construction, value add, bridge and term loans for seniors housing, medical office, student housing, multifamily and self-storage investments. Saperean's streamlined underwriting and sector expertise enables tailored structures for its borrowers, from senior secured to mezzanine and preferred equity.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

Kayne has adopted a Code of Ethics in accordance with Rule 204A-1 of the Advisers Act.

As a fiduciary, Kayne owes its clients undivided loyalty – our clients trust us to act on their behalf, and we hold ourselves to the highest standards of fairness in all such matters. This is predicated on the principle that Kayne owes a fiduciary duty to its clients. As a fiduciary, Kayne must serve in its clients' best interests. In other words, employees may not benefit at the expense of advisory clients and must avoid activities, interests and relationships that run contrary (or appear to run contrary) to the best interests of clients.

Kayne expects all employees to:



- act with integrity, competence, dignity, and in an ethical manner when dealing with the public, clients, prospects, their employer, and their fellow employees.
- adhere to the highest standards with respect to any potential conflicts of interest with client accounts – simply stated, no officer or employee should ever enjoy an actual or apparent benefit over the account of any client.
- preserve the confidentiality of information that they may obtain in the course of our business and to use such information properly and not in any way adverse to our clients' interests.
- conduct their personal financial affairs in a prudent manner, avoiding any action that could compromise in any way their ability to deal objectively with our clients.

Violations of the Code of Ethics may warrant sanctions which may include suspension or dismissal, at the discretion of management.

In addition to personal trading, political contributions, outside business activities, and acting in the best interest of clients, the Code of Ethics outlines Kayne's policies regarding gifts and entertainment; anti-bribery and compliance with the U.S. Foreign Corrupt Practices Act; lobbying; and charitable contributions.

Personal Trading

As a general rule, Kayne's employees are not permitted to purchase and sell for their own accounts securities in the asset classes in which Kayne is generally active, including but not limited to the equity and debt securities of energy infrastructure (i.e. midstream) companies and renewable energy companies. Policies and procedures have been designed to ensure that any employee personal securities transactions do not disadvantage Kayne's clients. These procedures require pre-clearance of all personal trades by employees in securities (other than open-end mutual funds that are not advised or sub-advised by the Firm, U.S. government securities, exchange traded funds, and various money market instruments) and require employees to represent an intent to hold the securities for at least 90 days. Neither Kayne nor its employees may enter trades on behalf of their own account or any account over which they have control or in which they have a beneficial interest if, in Kayne's judgment, such trade would cause them or any such account to benefit from any trade entered into or being contemplated on behalf of any client of Kayne or cause the accounts of any such clients to be disadvantaged.

Kayne's Chief Compliance Officer or the Compliance department receive and review all trading reports and employee certifications to confirm that any personal trading (as well as other activities subject to compliance oversight) conducted by employees and other covered persons is consistent with the requirements and restrictions set forth in the Code of Ethics and does not otherwise indicate any improper trading activities.

Clients may request a copy of Kayne's Code of Ethics by contacting Michael O'Neil, Chief Compliance Officer, at (310) 282-7905.



Political Contributions and Charitable Donations

It is the policy of Kayne to not make, and to prohibit its employees from making, any political or charitable contributions for the purpose of influencing a Kayne client or prospective client, a public official or his or her agency. However, employees may make political or charitable contributions in accordance with the requirements and restrictions of applicable law and Kayne's policies. To help ensure compliance with SEC rules and the many state and local pay-to-play rules, all Kayne employees must obtain prior approval from the Chief Compliance Officer before they (or their immediate family members) make contributions over certain thresholds to a political candidate, government official, or political action committee in accordance with Kayne's policies and procedures.

Kayne's Political Contribution Policy includes the following general prohibition: All employees (and their immediate family members) are prohibited from making any contributions or gifts to, or soliciting or coordinating any contributions or gifts for (i) any incumbent U.S. state or local officeholder (including one who is a candidate for federal office); (ii) any candidate or elections winner for U.S. state or local office; and (iii) any staff member or employee of a U.S. public pension fund, or any elected or appointed trustee, fiduciary, or other official whose official duties involve responsibility for such a fund.

Outside Business Activities

Kayne's Code of Ethics requires employees to obtain approval before engaging in outside business activities so that Kayne has the opportunity to consider whether such activities create actual or potential conflicts of interest (the Code of Ethics details certain instances where only notification to the CCO is required, such as serving as a director of a 501(c)(3) charitable organization). Certain senior employees may also serve as directors with portfolio companies held by Kayne clients and the compensation received from such service, where applicable, is subject to the management fee offset and governing fund documents. In instances where these outside affiliations are permitted, the employee will not be permitted to be involved in the investment decision-making process regarding that portfolio company.

Potential Conflicts Relating to Advisory Clients

The results of the investment activities of a Kayne client may differ significantly from the results achieved by Kayne for other current or future clients. Kayne will manage the assets of a client in accordance with the investment mandate of the applicable fund or, if a separate account, as selected by such client. However, because of differing guidelines, risk profiles, timing issues and other possible considerations, Kayne may give advice, and take action, with respect to a client account (including its own account) that may differ from the advice Kayne may give to, or an investment action Kayne may take on behalf of, another client account. In particular, Kayne or one or more clients may buy or sell positions while another Kayne client is undertaking the same or a differing, including potentially opposite, strategy. The purchase, holding and sale, as well as voting of investments by Kayne clients may enhance the profitability or increase or decrease the value of Kayne's or Kayne clients' investments in such companies. This may give rise to certain potential conflicts of interest. Kayne has adopted its trade allocation procedures (and other relevant policies) to mitigate any conflicts of interest.



Inconsistent Investment Positions and Timing of Competing Transactions

Under certain circumstances, a Kayne client (or group of clients) may invest in a transaction in which one or more other Kayne clients are expected to participate, or already have made or will seek to make an investment. Such clients may have conflicting interests and objectives in connection with such investments, including with respect to views on the operations or activities of the portfolio companies involved, the targeted returns from the investment, the timeframe for, and method of exiting the investment. Conflicts will also arise in cases where different clients (or group of clients) invest in different parts of an issuer's capital structure, including circumstances in which one or more clients may own private securities or obligations of an issuer and other clients may own public securities of the same issuer.

Principal Transactions with Clients

Kayne's practice (and that of its principals) is to avoid engaging in securities transactions with its managed accounts. However, Kayne believes that there may be circumstances from time to time where it is beneficial to its clients for Kayne (or its principals) to engage in a securities transaction with such clients. This could involve the sale by an investor to Kayne of such investor's limited partnership interest in a closed-end fund, or Kayne warehousing investments on behalf of a fund. Under such circumstances, provided informed prior written consent is given by the affected client(s), Kayne may engage in a principal transaction.

On occasion and subject to applicable law and a fund's governing documents, Kayne may warehouse investments on behalf of a new fund prior to it reaching its target size or commencing operations. Once the fund has commenced operations or reached its target size, such investments will be transferred to the fund. Generally, to the extent permitted by law, the transfers would be effected at Kayne's acquisition cost, which may or may not include interest expenses associated with bank financing. To the extent that this applies to a particular fund, the offering documents would clearly disclose such warehousing arrangement and the terms thereof. Since prior to such transfer, such investments would be owned by Kayne, conflicts of interest may arise regarding the decision of whether or not to transfer such investments and the timing of such transfers. More information on these arrangements can be found in the offering documents of the particular fund.

Kayne or an affiliate may also provide a bridge loan to a fund in order for the fund to close a transaction where the fund does not yet have capital commitments or may not have a subscription line of credit to draw on. In such circumstances, Kayne may pass along the borrowing costs to the fund (but would not make a profit on any such transaction). Conflicts of interest may arise regarding which funds Kayne provides bridge loans to, in what amounts, and the frequency with which bridge loans are provided to these funds. Advisory board approval will be sought for such loans from the relevant fund where appropriate and required under governing fund documents. Further disclosure can be found in the offering documents of the funds where such loans are permitted.

Cross Trades between Clients

Kayne will only engage in a cross transaction (causing one client account to buy or sell a security from or to another client account) when a transaction is permitted under applicable law and is in the best interests of, and consistent with the investment objectives and policies of, both clients involved in the transaction. If a cross trade is considered, it is Kayne's policy to effect all such trades in the most equitable and fair manner for all participating accounts.

It is important to note that The Employees Retirement Income Security Act of 1974 ("ERISA") generally prohibits cross trades. All Kayne accounts subject to ERISA are prohibited from participating in cross trades.

Any cross trade between accounts must be effected for cash consideration at the current market price of the security, taking into account the size of the transaction. Securities for which a current independent market price of the securities is not available shall not be cross-traded absent the prior written approval of the CCO.

Prior to the execution of a cross trade, the portfolio manager recommending the trade must provide the rationale as to why the trade is appropriate for and beneficial to each participating account to Compliance. The CCO must approve the trade in writing prior to execution. Kayne will seek advisory board approval for such trades in private equity funds where applicable. Compliance will maintain copies of such approvals.

In our real estate equity strategies, there may on occasion be a "recapitalization" whereby one of the opportunistic funds sells assets to a sophisticated institutional third party which requests that Kayne or an affiliate invests a small amount of equity and continues to operate the deal, the property or the properties. A broadly marketed process will generally be undertaken to substantiate the fair market value of such portfolio. Generally, a new Kayne-managed commingled fund will be formed to facilitate such an investment. Any such transaction is considered a cross trade of a Level 3 investment and requires advisory board approval of the selling fund.

If a cross trade is effected directly between client accounts, then no brokerage commission, mark-up or similar enumeration should be payable to Kayne or any affiliate. Such situations are referred to as agency cross trades, whereby Kayne or an affiliate acts as a broker for both sides of a transaction. Kayne is permitted to engage in such a transaction, if at all, only if it has not recommended the transaction to both seller and purchaser therein. Rule 206(3)-2 under the Advisers Act permits Kayne or its affiliates to effect such agency cross trades only in compliance with the consent, confirmation and disclosure requirements of the rule. In cases where the agency cross trade is between private commingled funds where Kayne or an affiliate serves as general partner or managing member, these requirements are often satisfied in the governing documents where Kayne or such affiliate is authorized to effect cross trades.

If a cross transaction is effected in the open market using a broker as intermediary, then a customary brokerage commission may be charged.

**Material Non-Public Information/Insider Trading**

From time to time, Kayne personnel may obtain, either voluntarily or involuntarily, material non-public information (that is not available to other investors) or other confidential information which, if disclosed, would likely affect an investor's decision to buy, sell or hold a security. Should Kayne personnel obtain such information with respect to an issuer, Kayne may be prohibited from communicating such information to, or using such information for the benefit of, Kayne clients, which could limit the ability of Kayne clients to buy, sell, or hold investments. Kayne has adopted an Insider Trading Policy which establishes procedures reasonably designed to prevent the misuse of material non-public information by Kayne and its personnel. Under the Insider Trading Policy, Kayne is not permitted to use material non-public information obtained by any department or related person in the course of its business activities or otherwise, in effecting purchases and sales in securities for Kayne clients even if failure to do so would be detrimental to the interests of such client(s). To further mitigate the risks associated with insider trading, Kayne has adopted an Ethical Wall Policy in order to minimize the likelihood that portfolio management teams will come into possession of material non-public information known by other investment teams within Kayne, thereby also minimizing the likelihood that a particular team will be precluded from taking action on behalf of its clients. Nonetheless, the investment flexibility of Kayne may be constrained as a consequence of adhering to these policies and related legal requirements.

Related Financial and Controlling Interests***Board or Committee Advisory Activities***

Senior personnel of Kayne serve as officers or directors of some of the publicly and privately held companies whose securities are purchased for Kayne's clients. In such capacities, these individuals, each of whom may make investment decisions on behalf of Kayne, may learn material, non-public information concerning a company's operations or securities. As discussed above, Kayne has established Ethical Wall and Insider Trading Policies to guard against the use of non-public information by it to benefit client accounts. Kayne's clients may be disadvantaged because Kayne may not be able to effect transactions in the securities of these companies when its officers possess material, non-public information. To further mitigate any perceived conflicts by such senior personnel who serve on the board of directors as the Kayne designee of certain portfolio companies in which Kayne invests, such Kayne designees either do not receive any compensation from the portfolio companies, or the compensation they receive is offset against the management fee for the fund that invests in that portfolio company.

Joint Venture Operating Partner

Kayne's real estate equity funds utilize the services of joint venture operating partners with expertise in the particular specialized sector in which the joint venture is investing. Discovery American Senior Trust Care ("ASTC") is the current property manager of senior housing facilities owned by subsidiaries of certain funds, and it is anticipated that ASTC will be the property manager of senior housing facilities to be owned by subsidiaries of future funds as well. An entity owned by certain Kayne employees and principals (the "Kayne-ASTC Entity") currently have a de minimis (~1%) ownership interest in the holding company that owns ASTC ("ASTC Parent"). The Kayne-ASTC Entity does not control ASTC and ASTC is not an affiliate of Kayne or its funds. Annually, Kayne's

Compliance department obtains market rates from an independent third party to ensure arms-length pricing with ASTC managed properties.

Use of Portfolio Companies as Kayne Service Providers

In certain instances, Kayne has engaged portfolio companies in its growth private equity strategy as service providers with respect to certain corporate services, e.g. cybersecurity risk management and a cloud data management platform. Kayne conducted thorough reviews of these service providers in comparison to other similar service providers to address potential conflicts. Kayne pays 100% of the cost of these services and is comfortable that it has sufficiently evaluated and addressed any potential conflicts.

Pricing and Valuation of Securities and Other Investments

In many cases, Kayne's fees are based on the value and performance of assets held in the client account. Kayne generally does not price securities or other assets for purposes of determining fees. However, to the extent permitted by applicable laws, including ERISA, Kayne or an affiliate may be charged with the responsibility of, or have a role in, determining asset values with respect to Kayne products or accounts from time to time and Kayne, or such an affiliate, may be required to price a portfolio holding when a market price is not readily available or when Kayne has reason to believe that the market price is unreliable. Each of Kayne's strategies has adopted a strategy-specific valuation policy to address the treatment of Level 3 securities. To the extent that Kayne's fees are based on the value or performance of client accounts, Kayne would benefit by receiving a fee based on the impact, if any, of the increased value of assets in an account. When pricing a security, Kayne attempts, in good faith and in accordance with applicable laws, to determine the fair value of the security or other assets in question. Kayne generally relies on prices provided by a custodian, a broker-dealer or another third-party pricing service for valuation purposes. When market quotations are not readily available or are believed by Kayne to be unreliable, the security or other assets are valued by Kayne in accordance with Kayne's valuation procedures. Kayne has implemented internal valuation committees for each strategy which have primary responsibility for overseeing and approving internally generated valuations in accordance with Kayne's valuation procedures. Such internally generated valuations are reviewed (on a sample basis) by an independent third party on at least an annual basis (and in certain cases, quarterly) for reasonableness. For certain funds, Kayne utilizes an independent third-party valuation firm to value the portfolio at each period end, rather than generating valuations internally.

The open-end mutual fund that Kayne advises is subject to the fair valuation rule under the 1940 Act (Rule 2(a)-5) as a registered investment company. To prevent violations of this rule, Kayne and its affiliates have adopted and implemented written policies and procedures consistent with the requirements of the rule, including (i) establishing procedures to periodically assess and manage material risks associated with fair value determinations, (ii) selecting and applying fair value methodologies, (iii) testing the selected fair value methodologies, and (iv) monitoring and evaluating any pricing services used.

With respect to private investments in public equities (PIPEs) or other securities that are convertible into or otherwise will become publicly traded (e.g., through subsequent registration or expiration of a restriction on trading), they will be valued at the market value of the publicly traded security less a discount. The discount will



initially be equal in amount to the discount negotiated at the time an agreement is reached on price with the issuer. To the extent that such securities are convertible or otherwise become publicly traded within a time frame that may be reasonably determined, Kayne may determine an amortization schedule for the discount in accordance with an approved methodology. Investments in convertible preferred equity will generally be valued using a convertible security pricing model that takes into account the attributes of the preferred units.

Item 12 – Brokerage Practices

Brokerage Discretion

Kayne has full authority to determine broker-dealers to be utilized and commissions to be paid with respect to securities transactions effected for its pooled investment vehicles. Similarly, unless a separate account client directs the use of a particular broker-dealer, Kayne has the authority to select broker-dealers to be used to effect trades and the commission rates to be paid. Kayne's policy is to not effect trades through its affiliated broker-dealer, KA Associates Inc. ("KAA"), except in certain limited temporary circumstances as described in Item 10 above.

The overriding consideration in allocating client orders for execution is the maximization of client profits (or minimization of losses) through a combination of controlling transaction costs and seeking the most effective uses of a broker's capabilities. When Kayne has the authority to select brokers or dealers to execute transactions for its clients, it seeks the best execution reasonably available under the circumstances (which may or may not result in paying the lowest available brokerage commissions or spread). In doing so, Kayne considers all factors it deems relevant. Such factors may include, but are not limited to: (i) the nature and character of the security or instrument being traded and the markets on which it is purchased or sold; (ii) the desired timing of the transaction; (iii) Kayne's knowledge of negotiated commission rates and spreads currently available; (iv) the activity existing and expected in the market for the particular security or interest; (v) the full range of brokerage services provided; (vi) the broker's or dealer's capital strength and stability, as well as its execution, clearance, and settlement capabilities; (vii) if applicable, the quality of the research and services provided (see "Research and Other Soft Dollar Benefits" below); (viii) the reasonableness of the commission or its equivalent for the specific transaction; and (ix) Kayne's knowledge of any actual or apparent operational problems of a broker or dealer.

Kayne endeavors to be aware of current charges assessed by relevant broker-dealers and to minimize the expense incurred for effecting portfolio transactions, to the extent consistent with the interests and policies of the client account. However, Kayne will not select broker-dealers solely on the basis of "posted" commission rates nor always seek in advance competitive bidding for the most favorable commission rate applicable to any particular transaction. Although Kayne generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent as transactions that involve specialized services on the part of a broker-dealer generally result in higher commission rates or equivalents than would be the case with more routine transactions. Kayne may pay higher commission rates to those broker-dealers whose execution capabilities, brokerage services or other legitimate and appropriate services are particularly helpful in seeking good

investment results.

The reasonableness of the commissions is based on Kayne's view of the broker's ability to provide professional services, competitive commission rates, and other services which will help Kayne in providing investment advisory services to its clients, viewed in terms of either the particular transaction or Kayne's overall responsibility to its clients, as the extent to which the commission rate or net price associated with a particular transaction reflects the value of services provided often cannot readily be determined. In making these determinations, Kayne recognizes that some firms are better at executing some types of orders than others, and it may be in the clients' best interests to use a broker-dealer whose commission rates are not the lowest but whose executions and other services, Kayne believes, may result in lower overall transaction costs or more favorable or more certain results.

Outsourced Trading Arrangements

Kayne has engaged Jones Trading Institutional Services, LLC ("JonesTrading") to assume trade execution responsibilities for equities and certain derivative securities. Kayne's operations and compliance departments provide oversight of JonesTrading activities performed on behalf of Kayne. All trades executed by JonesTrading originate within Kayne's order management system to ensure pre- and post-trade compliance checks are run on each order. Additionally, JonesTrading will perform a secondary check of all trades before being routed to the JonesTrading Execution Management system Fidessa, where additional risk controls are in place. All trades executed by JonesTrading are analyzed on trade date by Kayne personnel and on a quarterly basis by Kayne's third-party transaction cost analysis provider. On a quarterly basis, Kayne's Trading Committee reviews the trading results for all counterparties (including JonesTrading) in their capacity as trading partners.

Kayne investment professionals remain primarily responsible for trading fixed income (bonds and broadly syndicated bank loans), convertible securities, certain other derivative securities, and foreign exchange.

ECNs, Swap Clearing Firms and Other Trading Systems

Kayne may also place orders for the purchase and sale of securities or other instructions for its clients through electronic trading systems or alternative trading systems (ATSS), including Electronic Communications Networks (ECNs), swap clearing firms or with brokers or dealers that participate in such trading systems or platforms, consistent with its duty to seek best execution of client transactions. ECNs and swap clearing firms may charge fees for their services, including access fees and transaction fees. Access fees may be paid by Kayne even though they are incurred in connection with executing transactions on behalf of clients, while transaction fees will generally be charged to clients and, like commissions and markups/markdowns, would generally be included in the cost of the securities purchased.

Research and Other Soft Dollar Benefits

Research services include economic forecasts, investment strategy advice, fundamental and technical advice, market analysis, statistical services and analyses of particular securities and investment situations. Some of these

services would be considered “soft dollars”. Kayne has no formal arrangements with specific broker-dealers to receive such research services beyond transaction execution in exchange for brokerage commissions from client transactions. However, Kayne may pay a brokerage commission in excess of that which another broker might have charged for effecting the same transaction if Kayne determines in good faith that the amount of commission is reasonable in relation to the value of the brokerage and research services provided by the broker-dealer, viewed in terms of either the particular transaction or Kayne’s overall responsibilities with respect to the account over which it exercises investment discretion. Such rates are commensurate with those paid to so-called “full service” sell-side firms. Kayne’s policies prohibit contractual third-party soft dollar arrangements pursuant to a Commission Sharing Agreement or equivalent.

It is possible that accounts which may not directly benefit from the ancillary service provided by a particular broker-dealer will enter occasional transactions through such broker-dealer, but Kayne believes that the overall effect of such occasional transactions on all accounts, when the ancillary services furnished to all accounts are considered in totality, will be beneficial to all accounts.

Trade Aggregation and Allocation

Kayne is aware of its fiduciary obligation to seek the “best execution” on securities transactions. Best execution entails the efficient placement of orders, clearance, settlement and overall execution quality as well as the price obtained in the transaction. As part of its efforts to obtain best execution, Kayne may aggregate orders or “block trade” for several clients. Each client that participates in a block trade will receive the average share price and a pro rata portion of the transaction cost on a trade. Because clients have different affiliate relationships, some client accounts may not be eligible to participate in block trades.

Kayne seeks to allocate investment opportunities among client accounts in a fair and equitable manner over time. Securities are generally allocated among client accounts on a pro rata, percentage, or other objective basis. Kayne may also allocate securities among such accounts based upon the nature of the investment opportunity and an assessment of the appropriateness of that opportunity for such accounts, taking into consideration the various risk characteristics associated with the investment opportunity and the relative risk profile of the accounts. All allocations of securities will be subject, where relevant, to certain allocation metrics.

A variety of allocation metrics will be considered in making such allocation decisions. These metrics include (i) investment objectives of the accounts; (ii) risk or investment concentration parameters of the accounts; (iii) supply or demand for a security at a given price level; (iv) size of available investments; (v) cash availability and liquidity requirements of the accounts; (vi) relative size of the accounts; (vii) regulatory and client-imposed restrictions applicable either to the accounts or to the securities; (viii) tax considerations of the accounts; (ix) minimum investment size of the accounts (including maintaining round lots); and (x) such other factors as may be relevant to a particular transaction.

Investments may not be allocated to one client account over another based on any of the following: (i) to unduly favor an account in which Kayne, its employees or affiliates has a significant interest at the expense of another



client account; (ii) to generate higher fees paid by one client account over another or to produce greater performance compensation to Kayne; (iii) to develop or enhance a relationship with a client or prospective client; (iv) to compensate a client for past service or benefits rendered to Kayne or to induce future services or benefits to be rendered to Kayne; or (v) to manage or equalize investment performance among different client accounts.

Kayne and certain of its affiliates were granted an exemptive relief order by the SEC (the “Order”), which Order permits, subject to compliance with its stated terms and conditions, registered investment companies to co-invest with Kayne and its affiliates’ other clients in certain negotiated transactions. The Order generally requires allocating such co-investment transactions in accordance with Kayne’s Allocation Procedures Policy.

To be clear, although interrelated, Kayne’s trade allocation and aggregation practices are separate from Kayne’s co-investment policy for transactions not involving registered investment companies (see “Co-Investments” section below). As indicated earlier, co-investment opportunities may be offered to investors in funds and accounts managed by Kayne, employees, and third parties who Kayne believes may provide a strategic benefit to such investment or future capital raising opportunities. Such opportunities will only be provided in accordance with applicable regulations in accordance with the Co-Investment Policy discussed in this Item 12 below and with the prior approval of Kayne’s Chief Compliance Officer.

Please note that since Kayne invests in a variety of strategies and platforms, allocation of investment opportunities may be subject to restrictions or priority rights in applicable offering documents. Any deviation from the standard procedures must be fully documented, state the reason for deviation, and be approved by Compliance.

Trade Errors

Trading errors are reportable to the Chief Compliance Officer immediately upon discovery and corrected as promptly as practicable at no cost to the client. If Kayne is wholly at fault (including vendors engaged by Kayne) and the trade is at a loss, Kayne reimburses the client for that loss and the Firm will book the charges against its own operating expenses. Correcting a trade error may require multiple transactions. After the details of the trade error have been determined, a member of the Compliance team completes an error resolution form and submits it to the CCO for approval. Compliance maintains documentation to establish an “audit trail” of a trading error and its resolution.

Directed Brokerage

A separate account client may direct Kayne to use a specified broker-dealer. In such cases, (i) a higher commission rate may be paid by such client, in part because of additional services which may be available from such broker-dealer, as well as Kayne’s inability to negotiate the commission rate and/or obtain a volume discount when the client’s transaction is combined with those of other clients in a block trade; (ii) such client’s trades may be regularly executed at times different from those at which trades are executed for clients who do not direct Kayne to use a specific broker-dealer; and (iii) execution of all trades for the client by the designated broker-dealer could



result in failure to receive the best execution in some transactions. A client who directs Kayne to use a particular broker-dealer, including a client who directs use of a broker-dealer that will also serve as a custodian, should consider whether commissions, expenses, execution, clearance and settlement charges, and custodial fees, if applicable, will be comparable to those otherwise obtainable by Kayne.

Credit Conflicts Policy

Kayne has adopted a credit conflicts policy to mitigate potential conflicts of interest arising out of the investment activities of Kayne's credit platform. From time to time, Kayne will acquire securities or other financial instruments of an issuer for a managed fund/account which are senior or junior in priority to securities of the same issuer that are held by, or acquired for, another managed fund/account (e.g., one managed fund/account may acquire senior debt while another managed fund/account may acquire subordinated debt). Such investments inherently give rise to potential or perceived conflicts of interest between or among the various classes of loans or securities that may be held by more than one fund. The policy addresses how potential conflicts are resolved when funds are invested in different tranches of an issuer's capital structure, potential refinancings, and follow-on opportunities.

Real Estate Conflicts Policy

Kayne has also adopted certain controls to mitigate any potential or actual conflicts of interest arising out of the investment activities of its real estate platform. This includes situations whereby one fund sells to a third party which requests that Kayne or an affiliate invests a small amount of equity and continues to operate the property or properties. Such transactions are often expected to be structured as cross trades between clients and require the prior approval of the applicable partnership advisory boards. Kayne's controls also include a prohibition on Kayne real estate debt funds providing financing to facilitate the acquisition of a property/portfolio by any Kayne real estate equity fund; however, a debt fund may provide financing to third parties seeking to purchase assets from KA Real Estate, when such financing is negotiated on an arms' length basis and with the formal approval of both funds' partnership advisory boards. Additionally, Kayne has controls in place for KACORE and the opportunistic equity funds, to ensure that priority allocation rights are given to the appropriate real estate fund(s) based on whether the equity real estate investment opportunities' characteristics align with the funds' investment strategies, and to ensure that allocations are fair and equitable over time. On at least an annual basis, KA Real Estate management reviews conflict procedures in conjunction with Kayne's Legal and Compliance departments to ensure its business practices follow our policies and that our policies reflect industry best practices.

Energy Private Equity Conflicts Policy

The traditional energy private equity funds and the energy income funds are not expected to compete with each other for investment opportunities in portfolio companies, due to the fact that these funds generally each have different strategies and objectives, including holding periods and typical commitment amounts. However, if a

situation arises where the portfolio companies of one fund are competing with the portfolio companies of another fund for the acquisition of assets, a competitive bidding process run by the seller of the assets will determine the outcome. If any member of a fund's investment committee is also a member of the investment committee of another fund that is competing with a different fund for a specific asset, such member will recuse him- or herself from any discussions relating to such acquisition by either fund's investment committee.

Co-Investments

Kayne maintains various co-investment relationships. These relationships enable Kayne to consummate transactions on behalf of a Platform Fund Complex (as defined below) where additional capital is required above the target (or contractual maximum) investment amount of the Platform Fund Complex. In order to facilitate these transactions and subject to applicable offering documents, Kayne considers a number of factors, including, most notably, its fiduciary and contractual obligations, as well as corresponding investment mandates of the single-strategy largest commingled fund, in prioritizing allocations of co-investment opportunities.

A "Platform Fund Complex" consists of the largest Kayne-managed commingled fund (based on committed capital) formed to pursue a single investment strategy (as opposed to a multi-strategy fund) and all Kayne managed accounts established and structured to invest in parallel with the commingled fund.

Kayne has adopted a Co-Investment Policy in an effort to ensure that all co-investment opportunities will, to the extent practicable, be allocated on a basis that over a period of time is fair and equitable, taking into account relevant facts and circumstances. Generally, subject to the conditions set forth in the SEC Order referenced above, the offering documents of each Platform Fund Complex include provisions with respect to the rights of a particular Platform Fund Complex to (i) receive a first priority right to suitable investment opportunities, or where applicable, invest alongside other funds with an overlapping investment strategy, and (ii) permit third parties to co-invest in such opportunities.

Generally speaking, a Platform Fund Complex will receive its desired investment amount (subject to any applicable position size or diversification limitations) before other advisory clients and third-party co-investors may participate. As a general rule, all co-investments will be made on the same investment terms and conditions (e.g. price, liquidity, covenants) applicable to a Platform Fund Complex. For the avoidance of doubt, different management fee and performance fee or carried interest arrangements, as applicable, may apply to co-investors, including limited partners in the Platform Fund Complex.

The order of priority set forth above is subject to the terms and conditions set forth in applicable offering documents, which may deviate from what is described above.

Item 13 – Review of Accounts

All accounts are reviewed on a continuous basis to determine their conformity with investment objectives and guidelines. Each portfolio manager receives daily updates of portfolio positions and transactions for which such

portfolio manager is responsible. With members of the respective investment team or investment committee as applicable, portfolio managers regularly review and discuss portfolio status, potential investments and related issues.

Limited partners in Kayne's private pooled accounts (i.e., investment partnerships and offshore funds) receive quarterly statements indicating their capital balances and the account's balance sheet and income statement. These materials are provided with a letter highlighting the developments for the period. Separate account clients receive quarterly (or other frequency if requested) reports showing open positions, dividend and interest income, realized gains and losses, and performance for the period. Portfolio managers or other Kayne investment professionals may also make themselves available to clients, upon request, to conduct portfolio reviews or answer other relevant questions.

Item 14 – Client Referrals and Other Compensation

Kayne may enter into a small number of contractual agreements with unaffiliated solicitors and/or placement agents who assist with marketing our funds in order to refer potential clients to Kayne (i.e. provide endorsements as defined in the Marketing Rule). Such referral sources must be appropriately registered/licensed with the required regulatory authorities in the jurisdictions in which they operate. All agreements with unaffiliated solicitors and/or placement agents who assist with marketing our funds are made in writing pursuant to Rule 206(4)-1 of the Advisers Act. While the specific terms of each agreement may differ, the solicitor or placement agent will typically receive cash compensation in the form of a monthly retainer, and either a flat-rate success fee or a percentage of the fees received by Kayne from accounts referred by the solicitor. The solicitor may also receive trailing fees that are contingent on an investor remaining invested with Kayne for a specified length of time. Kayne does not expect to award non-cash compensation to a solicitor, nor will it provide compensation for testimonials or endorsements that is at or below the *de minimis* threshold as defined in Rule 206(4)-1. Any compensation payable to a solicitor is not a factor in determining the fee Kayne will charge for its investment management services, and an investor will never pay increased advisory fees as a result of being referred by a solicitor Kayne compensates. Compensation for solicitations and endorsements paid to third parties will either be paid by Kayne, an affiliated management company, or by the relevant fund; if paid for by a fund, the compensation paid will offset, on a dollar-for-dollar basis, the management fees otherwise payable by the fund.

Where Kayne uses endorsements or testimonials from solicitors in advertisements, it will clearly and prominently (i) state that the testimonial was given by a current client/investor or that the endorsement was given by a person other than a current client or investor, as applicable; (ii) disclose the material terms of the compensation arrangement with the solicitor for their endorsement or testimonial, including the type and amount of cash compensation paid to the solicitor, whether the compensation is paid directly or indirectly to the solicitor, or whether the solicitor was not compensated for their endorsement or testimonial; and (iii) disclose material conflicts of interest that result from Kayne's relationship with the solicitor and/or its compensation arrangement (as a compensation arrangement inherently incentivizes a solicitor to recommend the compensating investment adviser). Kayne will deliver the required disclosures at the time the endorsement or testimonial is disseminated,

or it will have a reasonable belief that the solicitor is delivering the required disclosures at the time they are disseminating the endorsement or testimonial. Kayne will exercise reasonable care to ensure that solicitors compensated for testimonials or endorsements are and remain eligible to receive compensation and have not experienced a disqualifying event or disqualifying Commission action as described in Rule 206(4)-1.

Item 15 – Custody

Investments and cash in Kayne’s pooled investment vehicles and separate accounts are held by third-party custodians. Nonetheless, by virtue of its ability to deduct fees from its accounts, Kayne is deemed under applicable rules to have custody of client accounts. With respect to client accounts that may be opened at KA Associates, Inc., National Financial Services is the clearing firm for KAA and is deemed to be the custodian. Investors in pooled investment vehicles receive quarterly statements from Kayne. Investors receive audited financials within 120 days following the end of the pooled investment vehicle’s fiscal year. Audited financial statements are prepared by an independent accounting firm, which is registered and subject to inspection by the Public Company Accounting Oversight Board. In all circumstances where Kayne or an affiliate is deemed to have custody of client assets, Kayne seeks to comply with the custody rules of the Advisers Act and the 1940 Act and any applicable SEC No-Action Relief letters.

In certain cases, Kayne may be deemed to have indirect custody of client accounts when an affiliated subsidiary acts as an administrative agent to certain loan syndication arrangements. Kayne utilizes a commingled agency account opened in the name of its affiliate and maintained by a major U.S. bank to facilitate the movement of cash to and from lenders and borrowers in these loan syndication arrangements. In any such circumstances where Kayne or an affiliate is deemed to have custody of client assets, Kayne seeks to comply with the Advisers Act custody rule and any applicable SEC No-Action Relief letters.

Item 16 – Investment Discretion

Kayne has full discretion with respect to securities transactions effected for its pooled investment vehicles. In addition, Kayne also has full discretion in its separate accounts to buy and sell securities without prior client approval. Kayne exercises its investment discretion consistent with the applicable investment strategy, as well as any separate account investment guidelines or restrictions imposed by the client and accepted by Kayne. Kayne does not advise clients concerning holdings outside their respective accounts with Kayne.

Item 17 – Voting Client Securities

Kayne acknowledges its responsibility to vote proxies consistent with its fiduciary obligations, in the best interests of its clients and to prevent conflicts of interest from influencing proxy voting decisions made on behalf of clients. Our Proxy Voting Guidelines can be found on our website, <https://www.kayneanderson.com>.



While third-party instructions may be useful, Kayne may, and generally is expected to have in-depth knowledge of the vast majority of the companies and related sectors in which it has invested, which knowledge may provide good reason to vote in a manner that is not consistent with the advice of a third-party service provider. Kayne has a Stewardship Committee responsible for voting proxy ballots in a manner that protects and promotes the economic value of our clients' investments. The Committee meets weekly during proxy season and is responsible for driving engagement themes with the analysts and management teams. While we may review research reports provided by proxy voting services, the Stewardship Committee is responsible for forming a recommendation on each and every ballot proposal. Once the recommendations are made, a member of the Stewardship Committee will vote the proxy(ies) according to the recommendations.

There may be circumstances which lead Kayne to vote the same proxy in two directions for different accounts. This may occur, for example, if a client requires Kayne to vote a certain way on an issue, while Kayne deems it beneficial to vote in the opposing direction for its other clients. In all such cases, Kayne maintains relevant supporting documentation.

Kayne may occasionally be subject to conflicts of interest in the voting of proxies because of business or personal relationships it maintains with persons having an interest in the outcome of specific votes. The Firm and its employees may also occasionally have business or personal relationships with other proponents of proxy proposals, participants in proxy contests, corporate directors, or candidates for directorships. If at any time the responsible voting parties become aware of any type of potential conflict of interest relating to a particular proxy proposal, they will promptly report such conflict to the Chief Compliance Officer. Conflicts of interest are handled in various ways depending on the nature of the conflict and its perceived materiality.

For inquiries regarding how a specific proxy proposal was voted, please contact Michael O'Neil, Chief Compliance Officer, at (310) 282-7905.

Item 18 – Financial Information

Kayne is in sound financial standing and does not use long-term borrowings in its capitalization structure. Kayne has no financial commitment that impairs its ability to meet its contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Item 19 – Privacy Notice

This Privacy Notice ("Notice") provides information about the data that is collected, processed, used, transmitted and stored by Kayne and its affiliates, and Kayne's commitment to appropriately using and protecting the data collected.

Generally speaking, Kayne collects data about you from the following sources:



- Information we receive about you on applications or other forms;
- Information you provide to us orally;
- Information we receive from a consumer reporting agency; and
- Information about your transactions with us, our affiliates or others.

This Notice applies to both clients and employees of Kayne and our affiliates. When you use our services, you acknowledge that you have read and understand the contents of this Notice.

Why Does This Notice Exist?

This Notice ensures that Kayne:

- Complies with data privacy laws and follows industry accepted practices;
- Protects the rights of its clients, employees, and partners; and
- Is open about how the Firm stores and processes personal data.

Defining Personal Information

Various laws and regulations use different terms and definitions for information about individuals that is personal and should be protected. Some laws and regulations consider only very limited types of information to be protected and private. Others include much broader categories.

At Kayne, we have chosen to adopt the broader approach to what information must be protected and kept private. In this notice, “Personal Information” (or “PI”) refers to data that could be used, alone or in combination with other data, to identify you as an individual. It can include name, physical address, email address, IP address, date of birth, social security number, passwords, credit card or other financial or payment information, and more.

What Personal Information Do We Collect?

Kayne does not collect more information than is needed to conduct its business and satisfy any associated regulatory requirements. The following are examples of the types of personal information that we may collect:

- Name, address, phone number and email address;
- Age, date of birth, occupation and marital status;
- Photo identification including driver’s license or ID card and passport numbers;
- Personal identifier, depending on your country of residence, such as your Social Security Number; and
- Financial information, including investment experience and objectives, account balances and assets, risk tolerance and, in certain jurisdictions, representations required under applicable law or regulation concerning your financial resources.

How Do We Collect Information?



Kayne collects information from you during the onboarding process. When Kayne collects data from you directly, we will provide Kayne's contact information and Kayne's purpose for collecting and processing the data. Kayne may also obtain information about you from other sources (e.g. consultants, financial advisory firms, or public registers for background searches).

Do We Need Consent to Collect Your Data?

By providing your data, you consent to its collection, processing, use, transfer and storage. Your consent can be withdrawn at any time by providing adequate notice (see below) to Kayne. However, withdrawing your consent may impact your ability to invest in our funds.

It is in your sole discretion to provide Personal Information to us. If you do not provide us with all or some of the PI we request, we may not be able to accept an engagement from you, to provide all or some of our services, to enter into a contract with you or to send you information about us (e.g. marketing materials).

How Do We Use Personal Information?

We use your personal information for a variety of business purposes, including but not limited to, the following:

- For our everyday business purposes to administer, facilitate and manage your relationship and/or account(s) with Kayne;
- To contact you or your designated representative(s) in connection with your relationship and/or account;
- To monitor and audit compliance with our internal policies and procedures; and
- To comply with and enforce applicable legal and regulatory requirements.

If your relationship with Kayne ends, we will continue to treat your personal information, to the extent we retain it, as described in this Notice.

Lawful Basis for Processing

There is a need to process personal information for the purposes set out in this Privacy Notice as a matter of contractual necessity under or in connection with the applicable agreement, and in the legitimate interests of Kayne to operate its business. From time to time, Kayne may need to process the personal information on other legal bases, including to comply with a legal obligation, or if it is necessary to protect the vital interests of an investor or other data subjects. For the purposes listed above, Kayne is relying on performance of a contract necessity and legitimate interests.

With Whom Do We Share Personal Information?

Privacy is an integral part of the Firm. We do not disclose your personal information to third parties, except as



described in this Notice, and never for compensation. Additionally, we will not share your personal information with third parties without your specific consent or unless Kayne is required or permitted to by law (such as Regulation S-P) and/or by government authorities.

Examples of third parties with whom we may share your personal information include, but are not limited to:

- Authorized service providers who perform services to facilitate your transactions with Kayne, such as administrators, accountants, auditors, attorneys, tax advisors, payroll agents, insurance brokers, entities assessing our compliance with industry standards, brokers or custodians, payment processing, printing and mailing companies, email delivery, and other similar services;
- A third party in the event of any contemplated or actual re-organization, merger, sale, joint venture, assignment, transfer, or other disposition of all or any portion of our business, assets, or stocks; and
- Government authorities in order to comply with appropriate laws and/or requests.

Third parties that we share personal information with are required to maintain the confidentiality of such information and are prohibited from using your personal information for purposes other than those that were specified upon receipt of your data. We enter into contractual agreements with all nonaffiliated third parties that prohibit such third parties from disclosing or using the information other than to carry out the purposes for which we disclose the information.

We will not sell your personal information. If we share your personal information with third parties performing services for us, or acting on our behalf, we will not allow them to use your information for other purposes, and we will contractually require them to protect your information.

What Security Measures Do We Have?

Kayne restricts access to personal information about you to those employees who need to know that information to provide financial products or services to you. Kayne has physical, electronic and administrative safeguards in place to help protect data from loss, misuse, unauthorized access, disclosure, alteration, and destruction.

Some features of our information security program are:

- A dedicated group of information security personnel that design, implement and monitor our information security program;
- The use of firewalls and other specialized technology;
- Continuous monitoring of our information and technology systems infrastructure to detect weaknesses and potential intrusions;
- A combination of internal and external reviews of our Internet sites and services;
- Implementing controls to identify, authenticate and authorize access to various systems or sites; and
- Providing Kayne personnel with relevant training and continually updating our security practices in



light of new risks and developments in technology.

Please contact us for a copy of Kayne's policies for more information on the Firm's information security practices and procedures.

How Long Do We Retain Personal Information?

We will retain your personal information for the period necessary to fulfill our services and the purposes outlined in this Notice unless a longer retention period is required by law. To determine the appropriate retention period for PI, Kayne will consider the amount, nature, and sensitivity of the PI, the potential risk of harm from unauthorized use or disclosure of PI, the purposes for which we process the PI and whether we can achieve those purposes through other means, and the applicable legal requirements.

Upon expiry of the applicable retention period Kayne should take reasonable efforts to securely destroy PI in accordance with applicable laws and regulations.

How Can You Manage Your Personal Information?

If you would like to request, delete, or update the personal information that you provided us, or exercise any of your data protection rights you may contact us using the contact information below. For your protection, we will need to verify your identity prior to complying with your request. Kayne does not charge for this service.

Kayne will make a good faith effort to process your request without undue delay and within the timeframe provided by applicable law. You are also entitled to have Kayne modify or delete any information that you believe is incorrect or out of date. Kayne reserves the right to limit or deny access to personal information where providing such information would be unreasonably burdensome or expensive or as otherwise permissible under relevant laws. If Kayne determines that access cannot be provided in any particular instance, Kayne will provide the individual requesting access with an explanation of why it has made that determination and a contact point for any further inquiries.

Is My Personal Information Transferred Outside of the Cayman Islands, the United Kingdom, the European Union or European Economic Area?

Information collected by Kayne is transferred outside of the Cayman Islands, the United Kingdom (UK), the European Union (EU) and European Economic Area (EEA) to Kayne servers in the United States. The General Data Protection Regulation (GDPR) was adopted by the EU to protect the privacy of such personal information for all EU individuals. After the UK left the EU, the UK substantially retained the EU GDPR in domestic law as the UK GDPR (here referred to together with the EU GDPR as simply "GDPR") to continue to protect the privacy of such personal information for all UK individuals as well. The Cayman Islands Data Protection Act (CIDPA) protects the privacy of such personal information for investors in our Cayman-domiciled funds ("Cayman Fund Investors").



With respect to the collection, holding, storage, use, and processing of your personal information, Kayne will:

- Process the data lawfully, fairly and in a transparent way;
- Obtain the information only for valid business purposes and not use it in any way that is incompatible with those purposes;
- Collect only information that will be relevant to the purposes we have told you about and limited only to those purposes;
- Take reasonable steps to ensure that the information is accurate and kept up to date;
- Maintain the data only as long as necessary, subject to applicable legal or other requirements; and
- Use appropriate technical and administrative measures to ensure appropriate security of the data.

Where your personal information is processed by third parties outside the Cayman Islands, EU, EEA or UK, we will ensure appropriate safeguards are in place to adequately protect it, as required by applicable law.

What Rights Do UK, EU and EEA Clients and Cayman Fund Investors Have?

Under the GDPR, clients domiciled in the UK, EU or EEA have certain rights with respect to their personal information. Cayman Fund Investors also have certain rights under CIDPA. In particular, you may have the right to:

- Request access to your personal information;
- Ask to have inaccurate data amended;
- Ask to have your personal information deleted;
- Withdraw your consent to the processing of your personal information;
- Request the prevention or restriction of processing of your personal information for any purpose; and
- Request transfer of personal information to a third party when feasible.

You have the right to receive your personal data that you provided to us in a structured, commonly used and machine-readable format and have the right to transmit such data to another controller without hindrance from us.

Additionally, in the circumstances where you may have provided your consent to the collection, processing and transfer of your personal information for a specific purpose, you have the right to withdraw your consent for that specific processing at any time. Once we have received notification that you have withdrawn your consent, we will no longer process your information for the purpose or purposes you originally agreed to, unless required by law. EEA and UK residents may also have the right to make a complaint at any time to the Information Commissioner's Office (ICO), the UK supervisory authority for data



protection issues or, as the case may be, other competent supervisory authority of an EU member state. Cayman Fund Investors have the right to make a complaint to the Cayman Islands Data Protection Ombudsman.

What Rights Do California Clients Have?

Under the CCPA, clients domiciled in California have certain rights with respect to their personal information. In particular, you may have the right to:

- Request that we disclose, free of charge, the categories and specifics of the PI we collect about you as a California resident (and/or, if applicable, sell or otherwise disclose to a third party for business purposes). Currently, however, Kayne does not sell personal information.
- Choose to opt-out of the sale of personal information. Currently, however, Kayne does not sell personal information.
- Request that we delete the PI we have collected. Following our verification of the request, we will comply with the request and delete any or all of the PI in our possession that we collected from you and/or any or all such PI in the possession of our service providers, unless otherwise restricted by law or regulation. However, withdrawing your consent for us to collect, process, use, transfer and store your data may impact your ability to invest in our funds.

Non-Discrimination for Exercising Your CCPA Right

We follow the requirements of California Civil Code §1798.125, and will not discriminate against any consumer who exercises the rights under the CCPA. However, withdrawing your consent for us to collect, process, use, transfer and store your data may impact your ability to invest in our funds.

Automated Decision Making

We do not use computer algorithms to make automated decisions based on your personal information pursuant to the GDPR or CIDPA. We may process some of your personal information automatically, with the goal of assessing certain personal aspects (profiling), such as to comply with legal or regulatory obligations to combat money laundering, terrorism financing, and offenses that pose a danger to assets.

Where Can This Notice Be Accessed?

This Notice is accessible through our websites: <https://kayneanderson.com/privacy-notice/>, <https://kaynebdc.com/privacy-policy/>, and <https://kaynefunds.com/privacy/>.

Do we use cookies on our public websites or our Investor Portal?

We use various technologies to collect other types of information, including PI, automatically on <https://kayneanderson.com>, <https://kaynebdc.com>, and <https://kaynefunds.com>. For example, in order to measure the usefulness and efficiency of our sites, we automatically track certain information from all visitors to our sites. The types of information we might track may include the Internet address that you just came from, which Internet address you go to, what browser you are using, your IP address, your internet service provider, date and timestamp information, or clickstream information.

Additionally, like most interactive web sites, we use "cookies" on certain pages of our sites. "Cookies" are small data files that are stored on your hard drive that store certain information, including certain PI, accessible to our sites. These technologies help us recognize you, customize your experience on the sites and analyze your use of the sites to make them more useful to you. By visiting our sites, you agree to our use of cookies. For more details, please refer to our [Cookie Policy](#).

You can refuse the use of cookies by selecting the appropriate browser setting. If you opt-out, please note that your experience using the Sites may not be optimal, and you may not be able to use certain features on our sites. For information on how to remove or manage cookie functions and adjust your privacy and security preferences, access the "help" menu on your internet browser, or visit <https://www.aboutcookies.org/how-to-control-cookies>.

Contact Us

If you have questions, concerns, or suggestions related to our Notice or our privacy practices, contact the Investor Relations Team or Kayne's Chief Compliance Officer, Michael O'Neil, at:

Kayne Anderson Capital Advisors, L.P.
2121 Avenue of the Stars, 9th Floor
Los Angeles, CA 90067

Website: <https://kayneanderson.com>, <https://www.kaynefunds.com/>, and <https://kaynebdc.com>

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Changes to this Privacy Notice

We reserve the right to update this Notice at any time to reflect changes in our policies concerning the collection and use of personal information. The revised Notice will be effective immediately upon posting to our web site. As required by regulations, Kayne will provide to its clients annually a statement regarding their rights to privacy.